

EDUCATION DIRECTORATE

MINUTES OF THE MEETING OF CARDIFF SCHOOLS' BUDGET FORUM



Time: 8.30am – 10.30am
Date: 15.01.2025
Location: Microsoft Teams
Present: Chair – Andrew Skinner (AS), Nic Naish (NN), Cllr Sarah Merry (SM), Cllr Chris Weaver (CW), Melanie Godfrey (MG), Ian Allwood (IA), Eifion Austin (EA), Angela Jardine (AJ), Gareth Rein (GR), Paul Tucker (PT), Tim Adams (TA), Stuart Davies (SD), David Silver (DS), Abigale Cuthbert (AC), Suzanne Scarlett (SS), Marc Belli (MB), Matthew Evans (ME), Carys Prytherch (CP), Wayne Murphy (WM), Ivor Gittins (IG), Sarah Parry (SP), Education Management Clerk

Apologies: Helen Williams (HW), Nicola Price (NP), Will Howlett (WH), Nick Alexander (NA), Emma Richards (ER), Richard Portas (RP), Alison Poole (AP), Phillip Andrews (PA), Diane Gill (DG), Alison Powell (AP), Catherine Power (CP), Cllr Joel Williams (JW), Suzanne Williams (SW), Geraldine Foley (GF), Jennie Hughes (JH), Patrick Brunnock (PB), Sara Allen (SA), Ann Griffin (AG),

Ref	Conclusions/Actions	Who
1.0	Apologies and welcome	
1.1	The Chair welcomed members and accepted apologies.	
2.0	Minutes of the previous meeting and matters arising	
	The minutes of the previous meeting were approved as an accurate record.	
2.1	<p>Matters arising/actions from the previous meeting:</p> <ul style="list-style-type: none"> MG followed up supply teacher booking with WG; a technical issue is being addressed (HR to discuss with IT). TA queried timescales to resolve the issues and whether the issue was specific to Cardiff or affected all Wales. Action: MG will check whether this was specific to Cardiff and respond ASAP. Following SBF, a focus group (members from the ALN strategy group) met to discuss the ALN formula statistical analysis, financial modelling and effect of adjusting levers to inform benchmarking. IA instructed all Cardiff Council directorates and accountancy teams to clearly convey in advance any changes to internal charges, including SLAs. Action: Improved communication mechanism on charges to schools will be an item at a future SBF. EA attended a primary headteachers conference to speak on the nursery places funding proposal, the new proposal will be discussed later in the meeting. EA noted PN is consulting on secondary SAO's good practice with clusters, work is progressing. The clusters will collaborate outside of the meeting to understand best practice, updates will be provided at headteacher conferences. Action: Financial planning/implementation of funding for SAO's to be discussed in a future SBF. 	<p>MG</p> <p>IA</p> <p>EA</p>

	<ul style="list-style-type: none"> • NN requested clarity on SAO funds to (secondary) schools, provided as part of the SLA, and revised funding from April 2025 (action). • EA attended conferences to present financial modelling of the formula and will attend the Cardiff Governors Association to communicate potential changes (action). • EA informed LFM officers that EIG contribution match funding had discontinued, future communications on similar matters will include headteachers directly (some LFM officers were absent). 	EA EA
3.0	Budget	
3.1	<p>IA noted on 9th January Cabinet received and approved a paper to launch the budget consultation (ending 5th February) and an update was provided on the 2025/26 budget strategy.</p> <p>An all-Council level provisional settlement indicated a 5.3% funding increase for Cardiff Council (average 4.3%). Although the settlement was higher than expected, there were many obligations, including teacher pensions and pay awards. The Cabinet report (link can be shared) includes a paragraph on total delegated school budgets potentially increasing by £19.8m. There were no plans for efficiency savings to be applied to school budgets.</p> <p>The full amounts received into budgets for teachers' pay award and teachers' pensions were passed to school budgets.</p> <ul style="list-style-type: none"> • The 5.5% Teachers pay award for 2024/25 was fully put into 2025/26, plus full year effect. • The 2024/25 non-teacher pay award of £1290 per spinal point was fully put into 2025/26. <p>Pay award assumptions for 2025/26 remain a figure for consideration and will be shared over the next few weeks, once detail of the budget is finalised.</p> <p>Correspondence was received before Christmas on teachers' pension grant and teachers' pay award details for 2024/25, with indicative figures given to schools. Feedback from different phases were considered, followed by distribution of allocations as close to actuals as possible (different to the normal formula method). A gap of c£735k was later identified (due to planning assumptions) on the amount schools received for teachers' pay award (most difference), non-teachers' pay award (£20k gap) and teachers' pension. Officers will write to schools on 16th January, informing that the differences for 2024/25 would be paid, distributed by the same method of allocations prior to Christmas.</p> <p>In response to a query from MB on how the formula was used, IA explained LFM officers consulted with schools to understand the 2024/25 gap, before providing finance indicative figures to fund the pay award. As the formula in 2025/26 was driven by pupil numbers, weightings etc, a school with disproportionality less pupil numbers than others might not receive as much as with the grant (principle accepted). Action: IA will provide indications on the difference in figures between the two methods.</p>	IA

MB held the view schoolteachers pay should be paid as is, the salary being the same in each school. EA confirmed the basis of calculation was the same for each school, actuals to date and projected spend to year end. Each LFM officer uses the same method of calculation, a different method is used for his school, both figures aligned. The gap in 2024/25 occurred due to pay assumptions, WG assumptions on RSG pay will be drilled down to ensure all are aligned going forward.

IA pointed out formula regulations will continue to be followed in 2025/26, looking at AWPU, with weightings of additional pay costs factored into the formula and cost impact, distribution driven to some extent by pupil numbers. The basis differs to the 2024/25 grant mechanism, driven by pupil numbers. How the formula was driving out AWPU (cost of salaries) can be discussed at the next SBF.

IA and EA confirmed a cash requisition was raised for schools to receive all sums discussed today within the week, Post 16 included. A further communication on Post 16 adjustments will be circulated.

IA noted NI reduced threshold and increased percentages from 1st April 2025. Central government and WG had confirmed some financial support would be issued to councils for directly employed staff (amount unknown until fiscal year 2025/26). The financial support was not included in the settlement. It remains uncertain how far support would stretch, due to differences in employment, i.e., some staff were outsourced. This was unlikely to affect schools greatly. The potential impact of NI changes to schools will be calculated and financial support received for the schools passported fully.

ER drew attention to the review on cleaning services for schools, noting staff were directly employed, and asked whether schools would be affected should the service be outsourced. IA confirmed payment to providers was unknown. There is flexibility to look at individual school circumstances for the authority to assist, considering the quantity of money received from central and Welsh government to support, and the amount the authority would bear.

TA questioned whether NI increases would affect supply teachers employed through agencies, raising costs significantly. IA confirmed potentially. Social care providers were another element that could be affected on a national level. TA raised concerns with the lag in establishing the Teacher Booker platform and resulting substantial financial drain on Cardiff resources.

IA added grants received should be increased in line with NI costs. Grant funding does not appear to have kept up with the increased costs of pay awards and teachers' pensions.

The Chair requested colleagues consider the consultation document. The **Clerk** will circulate to the forum the budget consultation link, requesting comments to the Chair by Monday 10th February. The **Chair** will collate responses and draft a letter of response from the forum to the budget consultation, for discussion and agreement at an extraordinary SBF on Monday, 17th February.

IA noted officers will aim to provide indicative budgets to schools on 21st February, based on the formula.

Clerk,
SBF,
Chair

	<p>AJ questioned whether a percentage sum was included in the pay assumption budget. IA confirmed percentages on pay assumptions were a continuing work in progress. Regarding National Insurance, the draft 2025/26 budget position underpinning the consultation reflects an assumption of 85% funding towards the cost of NI increases for directly employed staff only. The percentage was calculated for prudence, given current levels of uncertainty, and assumes the authority would receive 85% of the NI costs anticipated. The remaining 15% was factored into budgets, including schools.</p>	
4.0	Grants update 2025/26	
4.1	<p>EA noted WG had awarded Cardiff Council additional grants to be passported to schools.</p> <p>Cardiff received £2.3m school standard grant and £578k ALNCo support grant (recommended by the independent pay review body). Schools will receive confirmation of individual allocations, Post 16 grant adjustments and an update on the teachers'/non-teachers' pay and pension shortfall on 16th January.</p> <p>Although the all-Wales level for 2025/26 was comparable with 2024/25, pay increases and NI changes would decrease the amount. There are other uncertainties on whether ALNCo funding would be received through grants next year. Officers will meet with WG on 21st January for greater clarity on 2025/26.</p> <p>Post 16 was no longer part of the WG settlement grant, Medr, the intermediary body will passport grants. Grant awards will be communicated to headteachers and CoGs when known.</p> <p>ME pointed out grants previously paid to the consortia should now be received by the LA, reducing bureaucracy in the middle tier, with priority on funding to schools and requested this be monitored. Action: EA will align changes to grant streams as the middle tier review advances.</p> <p>MG explained WG required the LA to passport the totality of grants for fiscal year 2024/25 to CSC. WG had not confirmed whether money would be required to be passported for regional arrangements in 2025/26. It was expected WG would remove the requirement as the middle tier review progresses. WG had advised they will retain a proportion of grant money to develop the National Agency, the LA to receive the remaining.</p> <p>MB raised concerns on the Post 16 grant moving to Medr, schools may become unintentionally disadvantaged should funds be allocated to colleges. Safeguards for a PAN Wales model were queried. EA noted from information shared with him that the basis of funding remains unchanged in the transfer from WG to Medr. Allocation depends on weighting for pupil numbers and types of courses/qualifications.</p> <p>IA recommended a watching brief of future direction, ensuring there is appropriate consultation to understand rationale, with ongoing communications on financial effects from any changes. Models may become more standardised over time.</p> <p>ME shared concerns on the future direction of Post 16. The consultation shared made no reference to ALN; the Medr board lacked school representation.</p>	EA
5.0	Formula proposals 2025/26	

	<p>ME pointed out a significant variance in school's staffing structure and costs, dependent on the model put in place/inherited. Support for headteachers moving into a school would be beneficial, to understand impact of staffing structures.</p> <p>Establishing a qualitative understanding on the various models with headteachers was suggested in the first instance.</p> <p>The Chair concluded some forum members wish to see the effect of current changes before looking at further adjustments.</p> <p>MB urged caution on taking headteachers out of schools, their focus should be on children having great life chances.</p> <p>IA confirmed a watching brief on the formula and ALN to ensure working optimally, further understanding will be developed internally and verified with SBF.</p> <p>ME pointed out schools falling into difficulties might be due to headteacher's miscalculation of actual staff costs, i.e. non-contact/teaching time for levels of staff in schools and direct impact on the budget. Having an understanding at authority level would be useful and valuable for headteachers to understand the (daily/hourly) cost of actual roles.</p> <p>WM pointed out much work remains to be undertaken in the special sector, especially growth in the sector, an ongoing dialogue would be welcomed.</p> <p>From the end of April, EA will discuss with headteachers and gather comments to put forward a proposal at a later SBF.</p> <p>Discussion followed on PPA/non-contact time (requirement 10% of teaching time) and how this might be reflected in the formula.</p> <p>EA will consider a simple scenario planning tool (including pro rata) to better inform headteachers of the financial impact of potential decisions.</p>	EA
7.0	Education Update	
7.1	<p><u>Middle Tier Review</u></p> <p>MG gave the following update:</p> <ul style="list-style-type: none"> • The WG Cabinet Secretary for Education had called for a detailed review of the middle tier. • Jo-Anne Daniels led on the review along with specialist resource. • Subsequently, prior to Christmas the Cardiff authority approved a paper determined by Cabinet on high level principles. • Summary of principles agreed were: <ul style="list-style-type: none"> ➤ Repatriation of the school improvement element of Central South; to return to the LAs within the Central South footprint. ➤ The LAs to retain a regional footprint for the curriculum professional learning element of Central South's business. 	

	<ul style="list-style-type: none"> • It was pleasing to note the majority of headteachers attended an event on 10th January to collaborate on an operating model (thirty headteacher representatives were requested). • Work undertaken at the event laid the foundations for a more detailed operating model. • A smaller representation of headteachers will be asked to develop the detail of the operating model. • Feedback on being mindful of call on school's time and optimal money to schools was accepted. • A key aspect of the new model will be school to school support (requested by WG). • Education officers are keen to work with headteachers and CoGs on the new school improvement model. • Next steps will be articulated at a citywide headteachers event on 17th January. • A draft operating model is anticipated by February half-term, for implementation by September 2026. 	
7.2	<p><u>ALN Review</u></p> <ul style="list-style-type: none"> • Jo-Anne Daniels is leading on the ALN review along with specialist resource. • Significant fieldwork and data analysis undertaken. • Both lead people providing feedback. • Colleagues will be updated in due course. 	
7.3	<p><u>Efficiency Boards</u></p> <ul style="list-style-type: none"> • Optimum efficiencies are being sought. • Many reviews underway in the directorate to work more effectively and secure efficiencies. • Similar expectation from schools to work collaboratively. • Primary headteachers raised teaching supply as a priority, the Teacher Booker system was recommended. • Leadership capacity in schools and call on time for HR and asset repairs was a strong element in the middle tier review. • Noting the draw on teachers' time and pressures in the school system, more transparent sequencing arrangements on the ALN and middle tier review will be organised in the forthcoming months. • Whether the upcoming primary efficiency board would be rescheduled, to reassemble priorities, would be decided after the meeting. 	
8.0	<p>Catering Services</p>	
8.1	<p>SS gave the following update:</p> <ul style="list-style-type: none"> • The review on schools catering services is being taken forward corporately. • Financial position for fiscal year 2024/25 is understood. • Opportunities to generate efficiencies on services deployed and operating model are being considered, to respond appropriately for the UFSM offer in primaries and differing needs in secondaries. • A programme plan will be shared with headteachers in due course. • No change to school catering service delivery in the short term. 	

	<ul style="list-style-type: none"> Discussions are welcomed on opportunities to improve the service in the immediate future. 	
9.0	Home to School Transport	
9.1	<ul style="list-style-type: none"> Prior to Christmas, Edge consultancy services reported on recommendations to achieve efficiencies for home to school transport over the next three years. Viability of the recommendations are being assessed, with education and transport working on two streams: <ul style="list-style-type: none"> ➤ Procurement efficiency – transport provision (including routes and pick up points), procurement and market access. ➤ Eligibility for transport. No intention to change the transport policy (determined by the authority in 2016) in the short term. A review will be undertaken in the medium term (anticipated in two years). In the first instance reviewing discretionary transport arrangements provided for some individual pupils (ALN/part-time timetables/mainstream) that sit outside existing policy requirements, ensuring only necessary discretionary transport continues. Moving forward officers will look to ensure compliance with the existing transport policy, consistently and fairly. A monthly panel is held to consider requests for individual transport due to ALN/health needs. A separate panel is held for mainstream discretionary transport requests. <p>ME noted transport was an important aspect for WM and faith education, drawing attention to the Metro project investment, and possible efficiencies through use of the train network in the city. He recommended corporately arranging access to annual passes, with 75% reduction, for children and young people to undertake extracurricular work. The initiative having potential to benefit both the environment and learners greatly.</p> <p>SS welcomed the suggestion. Transport colleagues were considering options, further suggestions were welcomed.</p> <p>The Chair supported comments from ME and reminded forum members to send their comments on the budget consultation.</p>	
10.0	Any Other Business	
10.1	None raised	

Acronym Reference

SBF	School Budget Forum
SB	School Balance
BSR	Budget Strategy Report
DSB	Delegated School Budget
CC	Cardiff Council
WG	Welsh Government
LG	Local Government

LA	Local Authority
TU	Trade Union
HR	Human Resources
NI	National Insurance
FY	Financial Year
CT	Council Tax
Q_	Quarter_ (number relating to)
FP	Financial Plan
FS	Financial Services
PA	Pay Award
RWL	Real Living Wage
FSM	Free School Meals
MTFM	Medium Term Financial Management
MTFP	Medium Term Financial Plan
MTBS	Medium Term Budget Strategy
MTFB	Medium Term Financial Budgets
LFMO	Local Financial Management Officer
CCHF/HF	Cardiff Council Hardship Fund/ Hardship Fund
LGHF	Local Government Hardship Fund
MSF	Mutual Supply Fund
CNE	Complex Needs Enhancement
ALN	Additional Learning Needs
SOP	School Organisation Programme
PDG	Pupil Deprivation Grant
SEN	Special Education Needs
ALP	Additional Learning Programme
LAS	Local Authority Settlement
EOTAS	Education Other Than at School
MEAG	Minority Ethnic & Gypsy, Roma & Traveller Learners